

**APPLICATION FOR PERMIT
TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA**

Date of filing in State Engineer's Office MAR 01 1991
 Returned to applicant for correction APR 19 1991
 Corrected application filed JUN 17 1991
 Map filed JUN 17 1991

The applicant Magma Nevada Mining Company
7400 North Oracle Road, Suite 200, of Tucson,
Street and No. or P.O. Box No. City or Town
Arizona 85704, hereby make application for permission to appropriate the public
State and Zip Code No.
 waters of the State of Nevada, as hereinafter stated: (If applicant is a corporation, give date and place of incorporation; if a
 copartnership or association, give names of members.)
Delaware, November 13, 1990

- The source of the proposed appropriation is underground
Name of stream, lake, spring, underground or other source
- The amount of water applied for is 5.0 second-feet
One second-foot equals 448.83 gals. per min.
 (a) If stored in reservoir give number of acre-feet _____
- The water to be used for Mining, Milling and Domestic
Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.
- If use is for:
 - Irrigation, state number of acres to be irrigated _____
 - Stockwater, state number and kinds of animals to be watered _____
 - Other use (describe fully under "No. 12. Remarks") _____
 - Power:
 - Horsepower developed _____
 - Point of return of water to stream _____
- The water is to be diverted from its source at the following point NE¼ SE¼, Section 16, T.16N., R.62E.
Describe as being within a 40-acre subdivision of public
MDB&M, at a point from which the NE corner of Section 3; T.16N., R.62E. MDB&M
survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.
bears N. 23° 51' 38" E. a distance of 15,056.76 feet.
- Place of use Sections 12,13,23,24,25 and 26 T.16N., R.61E., Sections 2 thru 22,29
Describe by legal subdivision. If on unsurveyed land, it should be so stated.
and 30 T.16N., R.62E., Sections 7,17,18,19 and 20 T.16N., R.63E., and Section
33 T.17N., R.62E., MDB&M
- Use will begin about January 1 and end about December 31, of each year.
Month and Day Month and Day
- Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) drill well, install pump and convey
State manner in which water is to be diverted, i.e. diversion structure, ditches and
to place of use through pipeline system
flumes, drilled well with pump and motor, etc.
- Estimated cost of works \$100,000

10. Estimated time required to construct works 3 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use 5 years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

Water will be used in mining and milling operations

By s/Alex Acosta
Atex Acosta, Magma
P.O. Box M
San Manuel, Arizona 85631

Compared bc/bc pm/se

Protested 7/12/91 by: City of Ely; 8/23/91 by: U.S. Dep. of the Interior, Nat'l. Park Service:
Loran A. Robison for McGill Ruth Consolidated Sewer & Water Gen. Improv. Dist.
Pro. wdr. 10/28/91

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water place to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This Permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 5.0 cubic feet per second, but not to exceed 3,620 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before November 26, 1993

Proof of completion of work shall be filed on or before December 26, 1993

Application of water to beneficial use shall be made on or before November 26, 1996

Proof of the application of water to beneficial use shall be filed on or before December 26, 1996

Map in support of proof of beneficial use shall be filed on or before N/A

Completion of work filed _____ IN TESTIMONY WHEREOF, I R. MICHAEL TURNIPSEED, P.E.
State Engineer of Nevada, have hereunto set my hand and the seal of my
Proof of beneficial use filed _____ office, this 26th day of November,
Cultural map filed _____ A.D. 1991
Certificate No. _____ Issued _____


State Engineer

(PERMIT TERMS CONTINUED)

This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This permit is issued under the provisions of NRS 534.120(2) as a preferred use.

The total combined duty of Permits 43378, 43379, 43380, 43381, 55906, 55907, 55908, 55909, 55910, 55911, 55912, 55913, 55914 and 55915 shall not exceed 13,204 acre-feet annually.

The permittee shall comply with the monitoring plan approved by the State Engineer which will be subject to revision upon review of the data generated.

The data and analysis of the data shall be submitted to the State Engineer on a monthly basis, subject to any revision of the frequency of the data collected.

This permit is issued subject to the conditions set forth in the withdrawal of the City of Ely's protest dated October 28, 1991.

